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## BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

COMMISSIONERS

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IN THE MATTER OF THE APPLICATION  
OF ARIZONA PUBLIC SERVICE  
COMPANY FOR A HEARING TO  
DETERMINE THE FAIR VALUE OF THE  
UTILITY PROPERTY OF THE COMPANY  
FOR RATEMAKING PURPOSES, TO FIX A  
JUST AND REASONABLE RATE OF  
RETURN THEREON, TO APPROVE RATE  
SCHEDULES DESIGNED TO DEVELOP  
SUCH RETURN.

DOCKET NO. E-01345A-16-0123

DOCKET NO. E-01345A-16-0036

IN THE MATTER OF FUEL AND PURCHASED  
POWER PROCUREMENT AUDITS FOR  
ARIZONA PUBLIC SERVICE COMPANY.

NOTICE OF DIRECT FILING REQUEST  
FOR A RULING ON UNATTENDED  
MATTERS IN THE MATTER OF FUEL  
AND PURCHASED POWER  
PROCUREMENT

Granite Creek Farms LLC and Granite Creek Power & Gas LLC (collectively Granite Creek) and Thomas E Stewart General Manager (the Manager) provides this notice of request for ruling on unattended matters in the above captioned and above-docketed proceedings ("proceeding") matter of fuel and purchased power procurement, herein Granite Creek submits the following information which seems to have been unattended in the proceeding.

**Renewable Fuels Renewable Generation**

The Manager through Granite Creek has proposed to several Arizona Municipal Public Works Departments and received warm reception to environmentally responsible, solutions based, conventional system integration at economies of municipal scale, for Renewable Fuel

1  
2  
3 Production, Synthesis Gas (Syngas) Production, and 500 Mw Base Load Renewable Power  
4 Generation (**RFRG**) from Municipal Solid Waste, Municipal Waste Water Reclamation,  
5 Recyclable Materials Recovery, alternative long-chained hydrocarbons, hydrogen and third party  
6 alternative fractions and distillate products. Landfill Waste to Energy (W<sub>2</sub>E) under reciprocating  
7 long term feedstock supply and power purchase Agreements (PPA) together RFRE are, in  
8 financial terms, inextricably tied to long term (25 years or more) structured Term of Debt and  
9 Equity agreements.

### 10 **Barred From the Market Place**

11 Granite Creek is not an Energy Broker or short term Reseller of Energy products. More  
12 that Granite Creeks viability as a sustainable long term presence in the **RFRG**, Recycled  
13 Materials and third party products supplier is a sustainable Business Case which is prohibited by  
14 “AG-1” type limits or caps, **The Manager asks the Commission** to consider unattended markets  
15 and businesses, wherein;

16 APS does not produce municipal scale Renewable Fuels

17 APS is not in the municipal scale Waste-to-Energy business

18 APS does not produce an alternative to municipal landfill contaminates and air pollution

19 APS “Service District” prohibits Granite Creek on several fronts and **asks the**  
20 **Commission** to allow reciprocating feedstock agreements tied to reciprocating municipal  
21 revenue streams, the finance platform from municipal rate payer benefits for otherwise  
22 unattainable avoided cost savings and benefits listed but not limited to the above. The Company  
23 does not provide renewable product developments to those unattended opportunities in these  
24 proceedings to which Granite Creek is barred from serving.

25  
26 Identical to those APS unmet needs for additional long-term power resources; the same is  
27 true for Granite Creek and its Municipal customer needs. In addition to long-term stable  
28 financial resources for its Renewable Fuel and Energy Plant converting municipal solid waste to  
29 Renewable Fuel and producing 500 Mw of base load Renewable Energy, where the process  
30 design and equipment is no less Capital Intensive as to any major renovation project or “self-  
31 build” power project by the Company.

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### **Prohibited From Available Financing**

The Company involves various types of long term and structured debt facilities, to each they are inextricably tied to rate payer revenue streams. The same is true and necessary for Granite Creek. The quality and cost of funds are the single most important resource for its viability and sustainability as a municipal scale 500 Mw **RFRG** facility, where Granite Creek debt and equity structures are the same as for the Company, inextricably tied to reciprocating feedstock and power offtake agreements.

The Granite Creek Business Case is not a science project, is not guaranteed an 11% self-build profit, yet we offer avoided cost savings on process and energy to municipal customers, therein benefits to all of the citizens in each municipality. The Company has a regulated service district which distorts otherwise viable market forces of supply and demand to a hand in hand suite of benefits and alternatives to waste and pollution, while producing viable commodity products, predictable low cost energy, Syngas for fuel and clean steam power generation, Fly Ash for cement production, reclaimed water for process reuse water in its steam power generators and clean recyclables from alternative second life products.

RESPECTFULLY SUBMITTED this 23<sup>rd</sup> day of February, 2017



Thomas E. Stewart  
General Manager  
Granite Creek Power & Gas LLC  
Granite Creek Farms LLC  
5316 Voltaire Avenue  
Scottsdale Arizona 85254  
928-227-3801  
[tom@gcfaz.com](mailto:tom@gcfaz.com)

Arizona Corporation Commission  
Docket Control  
1200 W. Washington St.  
Phoenix, AZ 85007

DOCKET NO. E-01345A-16-0123

DOCKET NO. E-01345A-16-0036

RESPECTFULLY SUBMITTED this 24<sup>th</sup> day of February, 2017

Janet Wagner

Arizona Corporation Commission

1200 West Washington Street

Phoenix, AZ 85007

[JWagner@azcc.gov](mailto:JWagner@azcc.gov)

Wesley C. Van Cleve

Arizona Corporation Commission

1200 West Washington Street

Phoenix, AZ 85007

[WVancleve@azcc.gov](mailto:WVancleve@azcc.gov)

Thomas M. Broderick

[TBroadrick@azcc.gov](mailto:TBroadrick@azcc.gov)

Arizona Corporation Commission

1200 West Washington Street

Phoenix, AZ 85007

Thomas Loquvam

Thomas Mumaw

Melissa Krueger

Pinnacle West Capital Corporation

P.O. BOX 53999, MS 8695

Phoenix Arizona 85072